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FM AMEMBASSY PORT OF SPAIN
TO RUEHC/SECSTATE WASHDC PRIORITY 6816
INFO RUCNCOM/EC CARICOMCOLLECTIVE
RUEHCV/AMEMBASSY CARACAS 3588
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UNCLAS SECTION 01 OF 02 PORT OF PAIN 000568

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E.O. 12958: N/A TAGS: <u>ETRD</u> <u>KIPR</u> <u>TD</u> <u>XL</u>

SUBJECT: CABLE TV PIRACY IN TRINIDAD

REF: POS 181

PORTOFSPAI 05080568 001.2 OF 002

- 11. SUMMARY: Trinidad affiliate of DIRECTV has threatened legal action against T&T cable company Columbus Communications if Columbus does not cease illegally broadcasting HBO U.S. signals. The threat appears to be partly directed at the T&T regulator, which as yet has taken no action to require Columbus to air only those channels for which it has licenses. End summary.
- 12. The days may be numbered for Trinidad & Tobago cable TV viewers that are used to seeing premium movie channels, showing the same broadcast streams as seen in the U.S. DIRECTV Trinidad, Ltd., part of California-based DIRECTV Group, announced on May 4 that it would take legal action against monopoly Trinidad cable TV provider, Columbus Communications, if the cable company did not cease its transmission of unlicensed feeds of HBO and related channels. The company and HBO jointly declared that DIRECTV is the only company with rights to show HBO programming in T&T. Columbus entered the local market in January with its purchase of incumbent provider CCTT, and has a concession from the GOTT to provide cable services.

TV piracy - an old story in T&T

13. The issue of piracy of U.S. satellite feeds has existed in T&T since the 1990s. U.S. satellite coverage "footprints" extend to some Caribbean islands, making it easy for local companies to download U.S. domestic transmissions. Advantages for local consumers have included seeing U.S. sports events on ESPN and latest cable releases of Hollywood films on channels like Starz, HBO and Showtime. Viewers of Latin American affiliates of those channels experience lags of six months or later, as rights holders withhold films until they have finished their theatrical runs. U.S. rights holders did not take steps to halt those transmissions, partly because the markets are small and the cost of negotiating separately with companies in each island nation is prohibitive. However, pressure to conform led CCTT to make subtle changes, shifting some channels, such as Turner Classic Movies and TNT, to Latin American feeds (TCM-LA and TNT-LA), dropping ESPN in favor of ESPNdeportes, and so forth. But transmission of U.S. feeds of HBO, Cinemax, TMC and others continue unchanged.

14. Meanwhile, DIRECTV operates in accordance with U.S.

IP rules, and does not transmit U.S. satellite feeds, except as permitted by agreements it may have with rights holders. It has chafed at the continuing theft of those feeds by the cable operator, which gave CCTT a competitive advantage in urban areas.

15. In 2004 U.S. rights holders approached Embassy to explore how they might induce CCTT to cease transmitting U.S. satellite feeds. They followed up by visiting T&T and meeting with GOTT officials, econoffs and DIRECTV. Last year some of those companies sought to negotiate some kind of license with CCTT. While those talks showed promise, they did not lead to any agreement. Meanwhile, GOTT established a cable TV committee that made recommendations to the government at the end of the year. That report went to the GOTT Cabinet in February and remains there.

Regulatory Regime Changes

16. The regulator, Telecommunications Authority of T&T (TATT), took the position last year that it was powerless to impose penalties on CCTT for unlicensed transmission of U.S. channels on grounds that CCTT had received its authority to broadcast before the 2004 establishment of TATT. However, the arrival of Columbus Communications has changed the equation. A standard clause in TATT concession documents awarded since February 2005 for broadcasters is the following: "The concessionaire shall not broadcast any programmes, information or other material without first obtaining all required permissions from the relevant owners of any intellectual property in such programmes, information and other material, and shall not otherwise infringe the intellectual property rights of any